



DONALD L. WOLFE, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE

REFER TO FILE: **C-1**

April 17, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DELEGATED AUTHORITY TO AWARD PUBLIC WORKS CONTRACT
INTERSTATE 5/HASLEY CANYON ROAD INTERCHANGE IMPROVEMENTS
SUPERVISORIAL DISTRICT 5
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Director of Public Works, or his designee, to award, prepare the construction contract in the form previously approved by County Counsel, execute the construction contract, and establish the effective dates following receipt of approved Faithful Performance and Labor Materials bonds filed by the contractor for Project ID No. RDC0014704, Interstate 5/Hasley Canyon Road Interchange Improvements project, in the vicinity of Castaic (5), to Security Paving Company, Inc., in the amount of \$32,219,937.95.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On December 12, 2006, Agenda No. 51, your Board approved the plans and specifications for this project and instructed the Executive Officer of the Board of Supervisors to advertise the project. Subsequently, on February 6, 2007, we opened bids for this project. Pursuant to the County of Los Angeles contracting procedures, we have 90 calendar days following the bid opening to award the project to the lowest responsible bidder.

The State of California, acting by and through its Department of Transportation (Caltrans), recently informed us that we need to obtain approval from the Federal Highway Administration (FHWA) of the bid prior to awarding the construction contract because the project is on the National Highway System.

Your Board's authorization for the Director of Public Works, or his designee, to award and execute the construction contract with Security Paving Company, Inc., is necessary to enable the County to be in compliance with the FHWA's requirements and meet the 90-calendar day deadline.

Implementation of Strategic Plan Goals

The award of the construction contract is consistent with the County Strategic Plan Goal of Service Excellence since the completion of this contract will provide improved infrastructure to better serve the public.

FISCAL IMPACT/FINANCING

There will be no impact to the County's General Fund.

The enclosure includes the amount of the recommended contract as compared with the engineer's estimate and the other bids received. Funding for this project is included in the Fiscal Year 2006-07 Road Fund Budget with reimbursement from the Castaic Bridge and Major Thoroughfare Construction Fee District fees, the Tesoro de Valle Project Regional Transportation fees, the Los Angeles County Metropolitan Transportation Authority's Call for Projects grant funds, the Newhall Land and Farming Company, and Caltrans.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended contract award is to the lowest responsible bidder in accordance with the California Public Contract Code and your Board's directives.

We have developed an outreach program to encourage all qualified contractors to participate in the bidding and contracting process on our projects. Under this program, we place notices of upcoming bids in local and minority newspapers throughout the County. These notices indicate that copies of plans and specifications are available at specified libraries and the Public Works Headquarters building. This allows interested contractors to view the plans and specifications at convenient locations. We also

provide telephone numbers (including one for Spanish-speaking contractors) to obtain further information on bidding and subcontracting opportunities.

To further increase contractor awareness of contracting opportunities with Public Works, this project was listed on the County website for upcoming bids.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

The contract will in the form previously approved by County Counsel. We will also review the faithful performance and payment bonds filed by the contractor prior to signature by the Director of Public Works, or his designee.

ENVIRONMENTAL DOCUMENTATION

The California Environmental Quality Act requires public agency decision makers to document and consider the environmental impacts of their actions. On October 19, 2004, Synopsis No. 42, your Board approved the Negative Declaration certified by the State of California Department of Transportation on July 23, 2001, and the Finding of No Significant Impact determination by the Federal Highway Administration on August 15, 2001, prepared for this project.

CONTRACTING PROCESS

The contract was solicited on an open competitive bid basis in accordance with the provisions of the Public Contract Code.

The project specifications contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

Public Works has confirmed that the contractor is in compliance with the County's Child Support Compliance Program and the requirements of the Contractor Employee Jury Service Program. In addition, the contract will include language requiring compliance with the Newborn Abandonment Law (Safely Surrendered Baby Law).

The project specifications also contain a provision that, should the contractor require additional or replacement personnel to fill employment openings, consideration shall be given to hiring qualified participants in the County's Greater Avenues for Independence or General Relief Opportunities for Work Programs.

To ensure that the contract is awarded to a responsible contractor with satisfactory performance history, bidders are required to report violations of the False Claims Act, labor law/payroll violations, debarments, their civil litigation history, and information regarding prior criminal convictions. The information reported was considered prior to making this recommendation to award the contract.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This construction contract will result in improved public works infrastructure in the communities where the work is scheduled. Where appropriate, local residents and businesses will be informed that traffic and local access will be disrupted during the construction.

CONCLUSION

Please return one adopted copy of this letter to Public Works.

Respectfully submitted,

DONALD L. WOLFE
Director of Public Works

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Enc.

cc: Chief Administrative Office
County Counsel

AWARD OF CONTRACT
April 17, 2007

PROJECT ID NO. RDC0014704, INTERSTATE 5/HASLEY CANYON ROAD INTERCHANGE (in the vicinity of Castaic), Supervisorial District 5

TYPE OF WORK: Reconstruction of a freeway interchange including drainage structures, retaining walls, bridges, on- and off-ramps, roundabouts, relocation of a waterline, and other appurtenant work.

CALL FOR BIDS DATE: December 12, 2006 (Agenda No. 51)

BID OPENING DATE: February 6, 2007

BID SUMMARY:

Low	Security Paving Company, Inc., a corporation P.O. Box 1489 Sun Valley, California 91353-1489 (818) 767-8418	\$32,219,937.95
2	C. A. Rasmussen, Inc.	\$35,228,962.50
3	Brutoco Engineering & Construction, Inc.	\$35,490,779.20

M.C.M. Construction, Inc., submitted a bid in the amount of \$36,316,837.75; however, they did not acknowledge receipt of Addendum No. 2. Therefore, their bid was considered nonresponsive and rejected as provided in the Instructions to Bidders.

FINANCIAL INFORMATION:

Amount of estimate	\$32,908,227.05
Amount of recommended contract	\$32,219,937.95
Amount of recommended contract below estimate	\$ 688,289.10

The amount of the recommended contract is 2.1 percent below the estimate.

There will be no impact to the County's General Fund.

Funding for this project is included in the Fiscal Year 2006-07 Road Fund Budget with reimbursement from the Castaic Bridge and Major Thoroughfare Construction Fee District fees, the Tesoro de Valle Project Regional Transportation fees, the Los Angeles County Metropolitan Transportation Authority's Call for Projects grant funds, the Newhall Land and Farming Company, and Caltrans.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Security Paving Company, Inc., has three DBE subcontractors/suppliers under this contract yielding a proposed DBE participation of 8 percent.

ENVIRONMENTAL IMPACT:

The California Environmental Quality Act requires public agency decision makers to document and consider the environmental impacts of their actions. On October 19, 2004, Synopsis No. 42, your Board approved the Negative Declaration certified by the State of California Department of Transportation on July 23, 2001, and the Finding of No Significant Impact determination by the Federal Highway Administration on August 15, 2001, prepared for this project.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 450 working days. It is estimated the work will start in July 2007 and be completed in June 2009.